

In fact

For The Millions Who Want a Free Press

(No. 71) Vol. IV, No. 19

412 Feb. 16, 1942

George Seldes, Editor

Published every week and copyright, 1942, in the U. S. A. by IN FACT, Inc., 19 University Place, New York, N. Y. Phone AL. 4-6995. One Dollar (52 issues) a year. Foreign \$3.00 a year.

Hitler Man in Senate

THE Fascist mentality is not confined to Axis nations. In the House of Representatives and Senate there are many who have exhibited it before and after Huey Long. Here is another example.

An IN FACT reader, veteran of World War I, member of American Legion, wrote Senator Scott W. Lucas of Illinois protesting the continued activities of native Fascists in our State Department. (Ever since the State Dep't insulted the Free French numerous publications have attacked Cordell Hull and his reactionary associates.) Senator Lucas replied:

"You seem to know so much about the State Dep't. Give me the names . . . and also where you got the information. . . . When that comes I will have an FBI agent interview you. . . ."

Hitler could use Senator Lucas if Himmler has a heart attack. Both have ideal Gestapo mentalities.

Readers Digest Smear

THE little matter of fortune and death, sickness and starvation, of some of the first fighters against the Fascism of Hitler and Mussolini does not stand in the way of the professional red baiters of America in their greed for making a few thousand dollars. In France today there are still thousands of men who fought in Spain against the Axis. Several organizations of different political views have saved the lives of many of them (despite the Fascists in our State Dep't who have hindered the work for years).

Now comes the multimillionaire publication, Readers Digest, which was not content with circulating its 3,000,000 copies last December but which is reprinting its smear and offering every reader 3 copies. On page 12 it smears the American Committee to Save Refugees. This organization saved the lives of many who fought the Axis. The red-baiting owners of the Readers Digest and their well-paid writer, Max Eastman, smear not only this committee (sponsored by Lillian Hellman and Ernest Hemingway) but also the National Lawyers Guild, the Progressive Committee to Rebuild the American Labor Party, and the Russian War Relief, a non-political organization directed by conservative patriotic Americans who are sending medical supplies for the Russian wounded. Perhaps the Digest owners and Mr. Eastman as well as Hitler prefer the Russians to die because they are "reds."

Color Bias Story Unprinted

ACCORDING to one of our Middle West newspapermen correspondents (who sends us the original Associated Press copy) the AP sent out a 2-page story

Axis Radio Uses Martin Dies' Propaganda p. 1

Coughlin Preaches Treason, Plans to Grab OCD p. 3

America's Largest Paper Snipes for Hitler p. 3

IT IS more than two months since the US entered the war, but all the sniping is not confined to the Far Eastern jungles; it is still a widespread peril to national unity on the home front. After the upsurge of united anti Axis sentiment that followed Pearl Harbor the political climate has deteriorated. Not that the people have any doubts—100,000 voluntary enlistments in the navy, unbroken record of labor solidarity with the anti-Fascist aims of the war; steadily rising defense bond sales, all testify to their clear determination. But sniping at the war effort does go on, and even shows signs of increasing as the war settles down to a long struggle and the news continues bad.

The snipers play on various themes:

"We want to beat Hitler, but—let's stop and get those dirty Reds first."

"We hate Hitler but—we hate Russia more."

"We have GOT to lick Hitler—but let's lick the unions first."

"The British are using our AEF against Ireland."

The snipers, whose colors range the political rainbow from yellow appeasement to black Fascism, are the ones Cal Tinney had in mind when he said in one of his hard-hitting humorous broadcasts (WOR 8 p.m. Feb 2):

"I think Congress should declare war again. I don't think everybody in Washington heard about it the first time."

Dies Leads Snipers' Brigade

Easily first among the snipers is Martin Dies, Texas politician who has made more fake headlines and smeared more labor men and has done and is doing more to demoralize the country than anyone else since Huey Long.

Dies' committee is about to die—he must get Congress to give him more money. His tactics now are the same as in years past, to shout about what he is going to investigate next and the disclosures he will produce, if only he is given more funds. Late in 1940 he promised to list 5000 spies in the auto industry, 300,000 Fifth Columnists the country over. Dies got his appropriation, but nothing happened. These are two examples of scores that can be cited, of Dies' faking.

The year before, a few days prior to the expiration date of his committee, he promised to deport "no less than 7,000,000 (seven MILLION) aliens employed in American industries while Americans go without employment." (NY Times Dec 24, 1939.) He promised time and again—when appropriation time came around—to expose the Bund and other Fascist organizations, and has produced nothing in the way of revelations that went a step beyond what such real anti-Fascist fighters as John L. Spivak had given the country years before. He has poured out list after list of "reds" among unions and in government bureaus, practically all his statements being promptly disproved.

One single case of reticence by Dies has been recorded by himself. He announced in the House, shortly after Pearl Harbor, that he had known "for months" about Japanese plans to attack Hawaii and the Philippines; but that he had failed to "get permission" to tell the people about it. Assuming he did know, Dies was at least passively responsible for the Pearl Harbor disaster.

Dies Is Axis' Favorite Statesman

There are indications that the press is fighting a little shy of Dies—he has failed too often to deliver the goods. His latest threat—to investigate the Office of Civilian Defense for "reds"—is not played up as much as his previous statements. But if our native Fascists are growing wary of Dies, not so the Axis itself. Newsweek reported (January 5, 1942):

"The F.C.C.'s short wave monitoring service has found that Rep. Martin Dies is the American most frequently quoted by the Axis radio in programs beamed to the hemisphere."

And here is further documentation of how highly the Axis propaganda

machine regards Dies' activities. The quotation is from the Birmingham Age-Herald, Dec 24, 1941, in a Washington dispatch:

"Recently the Nazis talked for days about the Dies' letter to President Roosevelt accusing Leon Henderson of having Communist sympathies and of harboring Communists in his office of Price Administration.

"Axis radio commentators still draw on sources in the United States for perhaps a third of their broadcasts, beamed to the Western Hemisphere. . . . From the Nazi point of view, there are 'approved' groups in the United States and 'unsympathetic' groups. . . . The 'approved' group was quoted to create resentment against the British and distrust of the Soviet Union. It was here that Martin Dies was often quoted to show that Washington was filled with Communists.

"The 'Communists' approach is particularly important in propaganda directed at Catholic Latin America, and the Nazis play on that theme to the utmost. In all their quotations from Mr Dies, no one has ever heard a single criticism of him by the Axis radio."

Ample confirmation of the importance the Axis attaches to radio propaganda directed at South American countries in an effort to disrupt the United Nations was given Feb 4 by Archibald MacLeish, director of the Office of Facts and Figures:

"The Axis propaganda poisoners are constantly on the air whispering defamatory stories about the British or the Australians or the South Americans into listening ears in the United States. Then they nimbly switch to a beam aimed at Britain or another of the United Nations to pour out lies about us. The campaign is as shrewd and ruthless as any poison plot of the Borgias."

It would be enlightening to Americans to be told what kind of stories the Axis uses, and their source. Dorothy Thompson complained (NYPost Feb 2) about the difficulty of getting specific data on what the Axis radio is doing. IN FACT has been able to follow Martin Dies' Axis radio trail only through November, 1941. In that month he was mentioned not less than six times, with approval:

From Rome, in English, Nov 1 a special commentator cited Dies' reports on Communism in the United States.

From Berlin, in English, Nov 4 a broadcast for America said that "Mr Dies of Texas, a member of the House of Representatives, has recently gone to the Department of Justice with a list of 1124 names of Communists that are employed or active today in American government positions. There are five with salaries over \$10,000 and others with key positions. He (Dies) has the convictions (sic) that the Communists are not only in Russia fighting against the German army but are in Washington against the American people."

From Berlin, in English, Nov 13 the "college hour" cited Dies to show that "Communism infiltration" in the United States was "fairly advanced."

From Berlin, in English, Nov 15 "Fritz and Fred," a comedy team, quoted Dies.

From Amsterdam, in English, Nov 14, commentator quoted with approval Dies' opposition to revision of the neutrality act.

From Berlin, in English, Nov 17 Dies' reports on Communism in the US quoted as a "reliable source."

What the Axis radio will do with Dies' disruptive charges against the OCD is something the FCC monitoring service alone can tell.

Labor Demands End of Dies Committee

Speaking in the name of 5,000,000 members of the CIO, President Philip Murray joined President Roosevelt and Wendell Willkie (who had accused the Dies Committee of falsification and undermining American democracy) in accusing the Un-American Committee of having "one of the most sordid and reprehensible records in the annals of the American Congress." The newspapers which a few weeks ago placed the most recent Dies falsehood (the disproven charge CIO leaders have criminal records) on the front page either buried or suppressed the Murray letter. It was addressed to Speaker of the House Rayburn and Representatives McCormack, Martin, Cochran and Sabath.

Submitted with Murray's letter was a resolution adopted by the recent meeting of the CIO Executive Board which described the activities of the Dies Committee as "weakening the national unity so earnestly desired by most Americans" and declared that it "offers aid and comfort to the Axis powers."

"Chairman Dies has most carefully refrained from having the House Committee really investigate the un-American activities and Axis influences within this country at any time during the history of the committee, except to the extent of announcing such investigations immediately prior to a request for more funds, which, upon the appropriation of same, the announced investigations are discontinued," the resolution said.

The Dies Committee expires April 1. Labor insists it expire.

Martin Dies once told a reporter, now with PM, that he obtained much of his

from Chicago Jan 20 giving testimony before Roosevelt's Committee on Fair Employment Practice showing that three nationally known Milwaukee firms discriminated against Negroes.

Firms are: Allis-Chalmers, Harnischfeger Corp and the Heil Co. Heil Co is owned by notorious anti-labor governor of Wisconsin, millionaire Julius P Heil.

Charles Hibner, Heil's manager, said there was no color line. How many were employed, he was asked. He said 2400. How many Negroes? Answer: 2.

Facts vs Propaganda

WHEN, some months ago, the million railroad workers asked a raise to keep up with the increased cost of living, Railroad Brotherhood weekly "Labor" asked the free press, including IN FACT, to counteract the poison of the corrupt or commercial press, which was spreading railroad corporation propaganda against the unions. The railroads claimed their men were well paid, that the roads were not earning money, that a raise would not be added on the price of tickets.

The railroad workers got a 10% raise. This month the railroads add 10% to the price of tickets. Moreover, writes Alexander Crosby of Federated Press (to which IN FACT subscribes) the annual reports of Class I railroads indicate a profit of 157% over 1940. Chicago Great Western went from \$39,944 to \$1,739,581, a gain of 4,359%. Here is Crosby's tabulation of a single week's reports for big roads:

	1941	1940	Gain
Atch T & S Fe	\$28,679,768	\$11,269,086	154%
Balt & Ohio..	21,091,883	5,542,497	276%
Ches & Ohio..	44,419,162	32,452,210	36%
Del & Hudson	4,336,480	494,833	777%
N Y Central..	26,875,356	11,265,085	134%
N Y C & St. L	12,588,528	3,512,157	258%
Norfolk & W..	27,194,003	31,333,976	-12%
Nor Pacific...	7,757,019	2,064,092	276%
Pitts & L Erie	6,147,703	5,077,281	21%

The increase in passenger rates granted by the Interstate Commerce Comm means the public will pay \$45,-000,000 more. The new freight rates will mean \$230,000,000 for the roads if the 7½% increase is granted, more if the 10% asked is granted. Railroads will earn an additional \$275,000,000 which will cover increased wages. This will still leave the roads with \$297,000,000 more in 1941 than they earned in 1940. And bigger profits are expected in 1942. In other words, the railroads are not paying wages out of extraordinarily high profits but out of new charges against the public.

Great Film Completed

HOLLYWOOD has always made films favoring employers, Big Business, Big Money; only one film in a hundred dealing with labor has been fair; only once in a thousand is a liberal idea permitted to enter the movie theaters. One reason for Hollywood's failure is ownership of the corporations by Wall St bankers; another is pressure from the Legion of Decency which censors social and political ideas as well as morals.

A great film called Native Land has now been completed by Frontier Films. It tells of the fight for civil rights which marked the past decade and shows up native Fascism in many forms: a Michigan farmer is killed by Black Legionnaires because he is active in a union; a Negro and a white sharecropper are slain by deputy sheriffs; the KuKlux-Klan of Florida murder the Vermonter Joseph Shoemaker; Tom Girdler's police kill 10 CIO men in the Memorial Day

massacre in Chicago. And all through the picture there is a record of the growing movement of American democracy, protesting Fascist actions, demanding that the rights of labor and the common people be respected.

Native Land is dramatic, thrilling, intensely interesting, more alive (and more intelligent) than 99% and more of the pictures out of Hollywood. Magnificently photographed by Paul Strand, excellently directed by Leo Hurwitz, it has a modern musical score by Marc Blitzstein and the commentary, written by David Wolff, is spoken by Paul Robeson.

Labor unions and liberal organizations will have to organize tremendous pressure if they want this picture shown at local theaters.

War Profits in Steel

IN 1918 Bethlehem Steel did a business of \$449,000,000. The US Gov't suit, charging criminal theft of a mere \$11,000,000 is still unsettled. In 1941 Bethlehem grossed \$961,240,737.

Net profits of the Big Four (independents) for 1939: \$48,000,000; for 1940, \$91,000,000. And, computing last quarter dividends at previous rate although in many instances they will be higher, here is how the stockholders are gorging themselves on war profits now:

	1941	1940	1939
Bethlehem..	\$17,909,988	\$14,924,970	\$4,475,076
Inland	8,163,050	8,141,585	6,473,632
Republic ..	11,341,256	2,268,251	...
Youngstown.	6,281,280	2,090,753	...

TOTALS .. \$43,695,574 \$27,425,559 \$10,948,708

Every company boosted common stock dividends, with Tom Girdler's Republic Steel leading the procession with a 400% increase! But that's only part of the story. These dividends were paid after dividends on preferred stock, and after huge allowances for federal income and excess profits taxes.

Bethlehem, for example, set aside \$46,000,000 for taxes in the first 9 months of 1941, as against only \$23,429,170 for the entire year 1940.

Another reason for the apparent decline in Bethlehem's vast profits is found in some fancy bookkeeping. The company allowed \$25,733,743 for depreciation and depletion in the first 9 months of 1941, as compared with \$17,699,921 for the same period in 1940.

That extra \$8,033,822 for depreciation represents an increase of 45%. Republic used the same device, but hiked its depreciation by only 23%.

CIO Pres Philip Murray, chief of the SWOC negotiators, will toss these figures and many others at the steel company executives. They will point to the alarming increase in living costs, with still higher prices and heavier taxes ahead.

The union spokesmen will also recall that a dollar spent for wages costs the companies less than 50¢, because of tax savings. The wages fight will be tough.

Are You Moving?

Notifying IN FACT directly rather than the Post Office brings best results. Cut out your name and address from the front page, write your NEW address on it and mail to us with 5¢.

On all correspondence dealing with your subscription, it is essential that you cut out and enclose your name and address from the front page.

Back copies of IN FACT prior to No. 60 are no longer available.

early anti-Communist material from Father Coughlin, whom he has never criticized. This is how Coughlin saw the war with Japan:

"Our engaging in war with Japan will initiate a long, bitter, gruesome, destructive period which will witness the abandoning of our constitution, the destruction of private property and the adoption of a totalitarian form of government which will level off all families and persons." (Social Justice, Aug 4, 1941)

Coughlin Plans to Take over OCD

The war having come, Coughlin printed a sullen editorial saying that "Social Justice submits to the will of the government in declaring war," but that "it does not mean that we say what was wrong yesterday is right today. . . . We will discountenance all intellectual or physical sabotage . . . we will be no obstructionists in the pursuit of this war." (Social Justice, Dec 15, 1941).

Two weeks later Coughlin was avoiding "intellectual sabotage" in this manner:

"His shabby cynicism reaches a high point in an article entitled 'Let's Have Confidence,' published in the Dec 29, 1941 issue of Social Justice. The article opens with the statement: 'On all sides, as a result of the Pearl Harbor debacle, unnecessary misgivings are cropping up about our ability to carry war successfully into the Orient.' These misgivings, the priest of Royal Oak goes on to say, should be discarded: ' . . . we say to our readers—have confidence. At the helm stands President Roosevelt, who is Commander-in-Chief of Army and Navy.' And the President, Coughlin observes, is surrounded by a number of 'geniuses whose ability is unquestioned and whose loyalty in this crisis is above suspicion.' The article lists a score of these 'geniuses.' The names, almost without exception, are Jewish. In all cases, the individuals named have been subject to vitriolic slander in past issues of Social Justice. No Coughlinite will fail to understand the implications of this snide Jew-baiting." (The Hour Jan 10.)

In issue after issue Social Justice has been ringing the changes on its pro-Fascist policy of disrupting the nation's war effort through demoralization. Its fire is directed only against the United States and the other nations fighting the Axis. It insinuates doubts as to whether democracy is better than Fascism, assails the country's wartime leadership at every point, seeks to divide the nation on racial and religious issues. With these ideas planted in their heads, Coughlin then sends his followers into the civilian defense organizations, instructing them:

"Social Justice advises you to get into every patriotic organization in America. Join up. Be neither a slacker for war nor a slacker for peace. Join up with the Office of Civilian Defense. The radical influence is already there. It must be overcome and vanquished by your numbers of cohesive influence."

Here would seem to be a perfect case for a committee investigating subversive activities: Coughlin predicts a Fascist regime here if we go to war with Japan; after the war starts he continues and intensifies his Fascist propaganda, emphasizing anti-Semitism; at the same time he urges his followers to get control of the Office of Civilian Defense. And Martin Dies reacts to this glaring example of openly announced treason by investigating—"the reds."

News, Biggest Paper, Sniper for Hitler

Main target of the snipers is of course Russia. Their "separate peace" propaganda was intensified after Pearl Harbor. It was stilled for a while by the tremendous counter offensive of the Russian armies, but now it appears from day to day. It is a favorite theme of Boake Carter, anti-labor radio commentator and columnist; of George Sokolsky, formerly a paid agent of the National Association of Manufacturers, and of such reactionaries as William Philip Simms, foreign editor of the appeasement-minded Scripps-Howard chain. The discredited idea of a possible "separate peace" between Russia and Germany continues to be put out despite the fact that for the past two months and more the only bright spot in the newspapers—too often an obscure position inside—has been the news of Russian victories over the Fascist armies.

Sir Stafford Cripps, until recently British Ambassador to Russia, and in a position to know, says (Feb 8) the defeat of Hitler is probable a year from now provided "we realize that there is but one single war and support Russia to the full." But the NYDaily News lends its gigantic circulation to spreading the demoralizing lie that a separate peace is in the cards. Several times in recent weeks the News has returned to the attack.

"Joe did it before; he can do it again," the News says (Feb 6), "Stalin made a non-aggression pact with Hitler once before, and Stalin always acts for his own interests first. We cannot pump enough stars into our eyes to believe that Pal Joey is incapable of making a separate peace if he feels that is his only out—or of even changing sides."

The argument is false—refuted by history, by the records, and by competent observers. But in the case of the NYDaily News the "he-did-it-before-he-may-do-it-again" line can be turned around with deadly effect. As IN FACT pointed out (Dec 15) the News, together with its Chicago colleague the Tribune, published a week before Pearl Harbor a stolen secret plan of the US War Department.

Hitler in declaring war on the United States gave the publication of this military secret as his clinching reason. Thus the News betrayed the United States only two months ago—and if once why not twice? There are no stars in the eyes of those who know the treacherous role of the NYDaily News.

A detailed examination of the News' policy, by Wellington Roe, appears in the current issue of the Jewish Survey. "Before we entered the war, the appeasement, pro-Lindbergh, anti-Semitic character of the NY News was well known," Roe writes. "After December 7 we waited to see whether the News would be shocked into loyalty to democracy by the infamous attack of the Japanese brigands. But we have waited in vain. The News is following the line the Nazi propagandists have laid out for the American Fifth Column: engender confusion and disunite the anti-Axis forces on the international front and within the nation itself."

Roe traces the News' policy for years past, its tieup with America First, its support of Lindbergh, its publication of material by the Fascist William Dudley Pelley, etc. Many instances are given of its treacherous role since the war began, of which we have room for only one:

"On December 15 and again on December 22, the News did its chore for the Axis powers by suggesting that United States Defense Bonds were a doubtful investment. Specifically it had this to say: 'Of course, there is the objection which you hear now and then that these bonds may never be paid off. That may turn out to be the case; no use blinking the possibility. But if these bonds, backed by the government, eventually become worthless, then everything else in the country will become worthless along with them, and we'll all go to hell in a hack together.' And (Dec 22) 'There are fears expressed here and there that these bonds may never be paid off. True; they may never be. . . . Could Hitler and Goebbels concoct a more insidious, a more defeatist thought to put into the minds of people who are being asked to buy bonds to win a war? Characteristically, the News editorials were headed (don't laugh) 'Buy Defense Bonds' and 'Buy Bonds or Fight.'"

(More on snipers in future issues.)

Big Business Hoards

IF Donald Nelson is to have practically unlimited powers he will be in a position to recapture, for the benefit of the American war preparation program, the hundreds of millions of dollars worth of strategic materials hoarded by Big Business.

Evidence: Month after month in 1941 the Department of Commerce reports showed that despite warnings and requests from gov't officials, the big corporations increased their stockpiles of copper, tin, zinc, aluminum, etc, for use in private industry, such as autos, refrigerators and gadgets. Example: Nov, 1941 report Dep't of Commerce: increase in strategic materials in hands of manufacturers, \$450,000,000.

This same official report showed inventories at \$15,000,000,000. This was the highest in the history of the US. It is one of the reasons there is more "bright-work" on the 1942 cars than ever in history and a great shortage in defense material.

Railroad Brotherhoods' organ "Labor" says: "Gov't has authority to seize stocks and turn them over to defense plants. But nobody in Washington expects that will happen, since nothing was done to prevent hoarding in the first place." Since then Nelson has been appointed. This is therefore a challenge.

"THE FACTS ARE..." GEORGE SELDES' GUIDE TO FALSEHOOD AND PROPAGANDA IN THE NEWS AND RADIO

This vitally important book is being printed in response to the thousands of letters and requests from readers of IN FACT and George Seldes' books who want to know: How can you tell propaganda in the news? How to read the "military experts"? How to read the war correspondents? How to read the editorial page? How to read columnists? How to read the news from Germany—China—Japan—Mexico—Soviet Russia—Finland—Spain and other countries? . . . "THE FACTS ARE . . ." will also tell you: Which papers can be trusted most? Least? What does censorship do to the news? Can you believe atrocity stories? What news from Germany is faked? What can you trust on the radio? How to read the headlines, etc.

NOW IN PREPARATION—FREE TO EVERY READER WHO SENDS IN 5 SUBSCRIPTIONS!

"THE FACTS ARE . . ." is now being written by George Seldes. When ready it will be mailed to every contestant sending in 5 subscriptions (or more) to IN FACT at \$1 each. You get this book in addition to the other prizes that you have a chance to win. "THE FACTS ARE . . ." will be available to contestants only. YOU WILL NOT BE ABLE TO BUY THIS BOOK! Every statement, charge, expose will be carefully documented and supplemented by the effective use of pictures and reproductions. Every In Fact reader will want to own this unusual book!

Contest Editor, IN FACT, 19 University Pl, New York City

Attached you will find a list of.....subscriptions to IN FACT. I am enclosing \$.....which is the full amount due you. Please credit me in the "¼ million" subscription contest.

My name is.....

Address

City and State.....(2)

Enter IN FACT'S SUBSCRIPTION CONTEST

Prizes

1st Prize—A \$100 defense bond.
Ten 2nd Prizes—A \$25.00 defense bond to each of the next ten contestants.
Ten 3rd Prizes—\$15.00 in defense stamps to each of the next ten contestants.

SPECIAL PRIZES

For 25 subscriptions at \$1. Phonograph records or books (your choice) \$7.00 retail.
For 20 subscriptions at \$1. Phonograph records or books (your choice) \$5.50 retail.
For 15 subscriptions at \$1. Phonograph records or books (your choice) \$4.00 retail.
For 10 subscriptions at \$1. Your choice of 4 books from list of 11. See Feb. 2nd issue for full description of prizes or write IN FACT.

Contest Rules *

A contestant is any subscriber to IN FACT (excepting employees and their families) who sends in a minimum of 5 yearly subscriptions and/or renewals at \$1 not later than 12 PM, May 8th, 1942 (closing date). Subscriptions and/or renewals must be clearly marked for "CONTEST" or should be addressed to "CONTEST DEPARTMENT." A contestant may receive the help of others, but only the contestant will receive credit. Subscriptions and/or renewals must be accompanied with the full amount due; use money order, check or registered mail. DO NOT ACCUMULATE SUBSCRIPTIONS; SEND THEM IN AS YOU GET THEM.

* Condensed from the complete statement of Contest Rules appearing in the Feb 2nd issue. Copy mailed on request.